



## LaFollette Enterprises Incorporated

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Phone: (209) 632-1385 Fax: (209) 632-1316  
Custom Silage Chopping – Bag or Pit

08/25/10

A.G. Kawamura  
Secretary  
California Department of Food and Agriculture  
1220 N Street, Suite 409  
Sacramento, CA 95714

### Milk Price Support Opinion

Dear Secretary Kawamura and CDFA;

My name is Randy LaFollette, and I am a 3<sup>rd</sup> generation farmer and one of the owners of LaFollette Enterprises Inc. We provide the service of making silage for dairy operators up and down the central valley of California. We employ 20 year round employees and approximately 50 seasonal employees for about 6 months each year for silage harvest.

We have been in business since 1950, and we have never seen a time such as now in the dairy industry. We have around 40 dairy customers of all herd sizes, from small to very large. We currently have over \$600,000. out in our accounts receivable, and it continues to get larger, some of it close to two years past due. Most of our customers are making payments, but many of their outstanding balances continue to grow, as they do not have enough cash flow to break even. As a result, we continue to borrow more and more money to stay in business. If the milk price drops again to previous levels, many of our dairy customers will be forced out of business, and probably us along with them. I know that the milk surplus is the ultimate problem, but soon we may have a huge milk deficit if we do not get some help. Many of our customers say they cannot survive another drastic drop in the milk price.

As I'm sure you are aware, the dairy industry and the milk check trickles down through our whole economy, and allows us to pay our employees and the businesses we deal with. Our California economy cannot continue to take more hits as it will if more dairy and supporting businesses like us go under.

As you consider a higher floor for the milk price, please don't forget all the businesses and families like us who are trying to survive along with the dairy families.

Respectfully,

  
Randy LaFollette  
LaFollette Enterprises, Inc.